

DEPARTMENT OF STATE A/CDC/MR	
REVIEWED BY <u>f. Schmeizer</u>	DATE <u>7/2/85</u>
RDS ☐ or XDS ☐ EXT. DATE _____	
TS AUTH. _____	REASON(S) _____
ENDORSE EXISTING MARKINGS ☐	
DECLASSIFIED ☐ RELEASABLE ☒	
RELEASE DENIED ☐	
PA or FOI EXEMPTIONS _____	<u>AID TO ISRAEL</u>

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-- OUR AID PROGRAM TO ISRAEL IS THE SINGLE LARGEST U.S. AID PROGRAM IN THE WORLD. OUR AID HAS HELPED ISRAEL TO MAINTAIN ITS QUALITATIVE MILITARY EDGE IN THE REGION, AND HAS ENABLED IT TO EXPAND ITS ECONOMY SIGNIFICANTLY WHILE BEARING A HEAVY MILITARY BURDEN.

-- THE UNITED STATES HAS PROVIDED ISRAEL WITH OVER \$22 BILLION IN ASSISTANCE FROM FISCAL YEAR 1949 TO 1981. OF THAT TOTAL, \$18.6 BILLION HAS BEEN IN THE FORM OF SECURITY RELATED ASSISTANCE. DEVELOPMENT ASSISTANCE, AID HOUSING GUARANTEES, FL-480, EXIM BANK LOANS, AND OTHER ASSISTANCE HAVE MADE UP THE REMAINDER.

-- WE HAVE PROVIDED ALMOST HALF, OR ABOUT \$8.6 BILLION, OF OUR SECURITY-RELATED ASSISTANCE TO ISRAEL IN THE FORM OF GRANTS OR CREDITS ON WHICH REPAYMENT IS WAIVED. THE REMAINDER, ABOUT \$9.8 BILLION, HAS BEEN PROVIDED AS LOANS.

-- SECURITY-RELATED ASSISTANCE CONSISTS OF FOREIGN MILITARY SALES CREDITS (FMS) AND SECURITY SUPPORTING ASSISTANCE (SSA), ALSO KNOWN AS ECONOMIC SUPPORT FUNDS. OUR ASSISTANCE TO ISRAEL IN THESE TWO CATEGORIES BREAKS DOWN AS FOLLOWS FOR THE PERIOD FY 1949 - FY 1981.

--- FMS: \$ 4.95 BILLION GRANT (APPROX.)
\$ 8.56 BILLION LOAN (APPROX.)
\$13.51 BILLION TOTAL (APPROX.)

--- SSA: \$3.85 BILLION GRANT (APPROX.)
\$1.26 BILLION LOAN (APPROX.)
\$5.12 BILLION TOTAL (APPROX.)

IN ADDITION, FMS LOANS TO ISRAEL ARE MADE ON HIGHLY CONCESSIONAL TERMS--A THIRTY YEAR TOTAL REPAYMENT PERIOD WITH A TEN YEAR

GRACE PERIOD ON THE PRINCIPAL.